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A/ISS/IPS, Department of State

E.O. 12958, as amended

October 11, 2007

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Authority

NND 969 011

NARA Date

9-21-03

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info used

45 FORM DS 322(OCR)

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PORTER

NEA/INS:DKUX:PD
 6/14/73 EXT:21289
 NEA:AHMEYER

AID/ASIA:AWHITE
 NEA/INS:LBLAINGEN

S/S - MR. BARNES

IMMEDIATE NEW DELHI

IP#MMEDIATE OECD PARIS

E.O. 11652: GDS
 TAGS: EAID, IN
 SUBJ: AID INDIA CONSORTIUM

XIXIX AHM

DK

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LBL

S/S

1. AMBASSADOR MEYER CALLED IN INDIAN AMBASSADOR KAUL JUNE 13 TO PREVIEW FOR HIM USG POSITION AT PARIS AID INDIA CONSORTIUM MEETING. AMBASSADOR MEYER SAID WE WERE INFORMING INDIANS IN ADVANCE TO ASSURE THAT THEY WERE NOT SURPRISED BY OUR ACTIONS AND UNDERSTOOD OUR RATIONALE.

2. AMBASSADOR MEYER OUTLINED OUR GENERAL VIEWS ON DEBT RESCHEDULING AS INDICATED IN STATE 108805 AND 108334. ACTING ASSISTANT AID ADMINISTRATOR WHITE ELABORATED THESE NOTING OUR CONCERN RE NEED FOR FULL PARTICIPATION BY ALL CONSORTIUM MEMBERS AND BY WORLD BANK, OUR DESIRE FOR BETTER QUALITY OF PARTICIPATION, AND FOR AN EFFORT TO OBTAIN SIMILAR ACTION BY NON-CONSORTIUM MEMBERS.

3. IN BRIEF DISCUSSION, KAUL EXPRESSED DOUBT ABOUT UTILITY OF AID CLUB TRYING LAY DOWN RULES FOR NON-MEMBERS. HE SAID INDIA'S MAIN INTEREST WAS IN OUTCOME AND PROBED RE LIKELY U.S. ACTION. AMBASSADOR MEYER EMPHASIZED THAT WE WERE DISPOSED TO BE POSITIVE AND WERE HOPEFUL WE WOULD PARTICIPATE WITH THE \$29 MILLION SHARE RECOMMENDED BY THE WORLD BANK.

4. AMBASSADOR MEYER THEN REVIEWED OUR PROPOSED STATEMENT ON DEVELOPMENT ASSISTANCE PLEDGING, DRAWING ON STATE

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FORM DS 322A(OCR)

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114189, KAUL SAID HE HAD NO OFFICIAL COMMENT, BUT CHARACTERIZED OUR STANCE AS "NOT VERY HELPFUL". UNCERTAINTY ABOUT AVAILABILITY OF U.S. AID WOULD HAMPER INDIA'S PREPARATION FOR FIFTH 5-YEAR PLAN. IF OTHERS TOOK SIMILAR POSITION, THIS WOULD ADD TO INDIA'S DIFFICULTIES. AMBASSADOR MEYER SAID THAT OUR COMMENTS WERE NOT INTENDED TO BE NEGATIVE. WE WOULD SHORTLY BE DISCUSSING WITH INDIANS THE QUESTION OF A POSSIBLE ROLE OF U.S. ASSISTANCE AS PART OF OUR BROADER ECONOMIC DIALOGUE. KAUL SAID THAT GOI DID NOT DOUBT U.S. SINCERITY IN PURSUING ECONOMIC DIALOGUE AND IN SEEKING BETTER RELATIONS, BUT SIMPLY WANTED TO KNOW WHERE IT STOOD ON AID.

5. FYI: JUST BEFORE SESSION WITH KAUL, WE RECEIVED WORD THAT PRESIDENT HAD APPROVED DEPARTMENT'S RECOMMENDATION WITH REGARD TO INITIATION OF TALKS ON FORM AND PURPOSE OF POSSIBLE FUTURE U.S. ECONOMIC ASSISTANCE. END FYI. YY

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